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SUBJECT Speech of Major General Kvashnin,  
Chief of SMA Transportation Division,  
to German Transportation Officials

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Note: On 25 and 26 July 1949 a meeting of Soviet Zone transportation officials took place in Leipzig. The meeting was attended by key officials of the Hauptverwaltung Verkehr of the German Economic Commission (DWK), representatives of the Reichsbahn in the Soviet Zone, including the Presidents of all the regional headquarters (Reichsbahndirektionen), delegates from the trade unions, and officers of the SMA. After various self-laudatory speeches by various officials, the final speech was made by Major General Kvashnin, Chief of the Transportation Division of the Soviet Military Administration. His speech showed unusual candor and objectivity and gave an excellent indication of the prevailing relationship between the SMA and the German authorities in the Soviet Zone. It was therefore decided to give a verbatim translation of General Kvashnin's speech as transcribed in the DWK's official minutes of the meeting.

"Colleagues!

I want to examine closely several problems which have in my opinion not been adequately treated at this conference, although some of the problems have been mentioned here and questions about them have been asked by many colleagues. But before I start on a discussion of these problems, I would like to go back into the past - to the time three years ago when we began our work here in these transportation conferences. Above all I would like to point out what a difference exists in the work of the conference of three years ago and today's conference. That we must frankly acknowledge. The difference between that conference and today's is as great as between heaven and earth. While back then only a few speakers from government agencies spoke and the others were silent, we see today that many in the assembly stand up and criticize the work of the transportation administration. What does that mean? That means that the people in our transportation business have grown considerably during these years and have developed, and that our internal transport traffic has likewise developed considerably, and that today's conference, in contrast to the earlier one, also demonstrates this trend, and that the leaders and also the intelligence understand what tasks face them in the field of

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national economy and what demands the people make of them. But before this conference and before all of us there are today problems which are more difficult than were those before that first conference. Today we have a better perspective for our work. Today a great responsibility rests on every leading man of the transportation administration. I would like to make a few remarks on those questions which are before us today.

The first remark concerns the financial side of our work. It seems to me that it is by no means sufficient to satisfy ourselves by merely searching for the reasons and causes for our not fulfilling our finance plan. I think the time has come when we must demand that the leading men feel greater responsibility for the proper use and the proper spending of the money. Is there such responsibility today? There is no such responsibility today. Even Barth, who spoke before me, spent more money than he should have; he exceeded his means. He has been criticized a little here, and he now thinks that the matter is closed. I know of cases where a factory director was not punished on account of two missing kilograms of butter, but here is a man who has expended more than a million of the people's money, without proper authorization. Today sums have been mentioned the size of which has been indicated by six or seven zeros, and they are played around with as a vaudeville artist juggles balls. It seems to me that the conference must take a firm stand on this question and that it must demand from irresponsible leaders full accountability for exceeding the authorized expenditures. It seems to me about time that the German Economic Commission and also the organs of the party (SED) find ways and means and methods to call to account such men for their irresponsible behavior. I like Dr. Heuer, but he is not the hero of today's meeting. He spoke for a few minutes today, and, it seems to me, mentioned a few unpleasant problems, to be sure, only under pressure and passed over them with a few trivial remarks. But today's conference was supposed to be concerned mainly with the financial problems of the transportation. Heuer should have appeared as the first, most important speaker and shown the conference what was wrong with the finance plan.

Where does the trouble lie? I am compelled to say that, in its present structure, the Finance Division does not bear full responsibility for the financial dealings of the carriers. It has been said here that the financial side of our administration mirrors our total activity. But if the mirror is not properly polished, it can turn out to be a crooked mirror and distort things, giving the real picture in a distorted fashion. It seems to me to be high time that the DWK place as heavy and definite responsibility on the leader of financial matters as on the leader of the administration itself. But the way things stand today, the finance experts only record and establish the situation and are not responsible for financial activity. If the leader of administration is responsible for all activity, then that goes for the leader of the Finance Division, too, and for the experts in the regional headquarters (Reichsbahn-Direktionen) and their finance representatives. Then the finance experts and the head of the Finance Division will feel themselves responsible for the money and expenditures, and it will not again happen, as now, that the money is frittered away.

And third, it is necessary that the personnel of the regional headquarters (Direktionen) be built up with intelligent and shrewd finance people, and Herr Künne (Deputy Chief of Transportation Division, DWK) must quit transferring finance people from one place to another for no reason at all.

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The second point concerns the planning and the fulfillment of our work schedule (Plankenziffern). This question was mentioned here today, but was presented as though only the planning were to blame. And the entire conference, from Professor Reingruber down to the last speaker - all say that the plan is to blame. But I must say here that not the plan is to blame, but the people that have to do with the plan and who don't know how to plan. And that goes not only for the planning experts of the DWK, on whom everyone here is trying to shove the blame, as Dr. Schultz has just done. Above all we here are guilty, our transportation experts, because they accepted unworkable plans without any investigation and criticism. If you take the resolution of the DWK of 5 January and look at it, you see that everything is presented very well and comprehensibly, but this resolution has to be fulfilled and realized. But what are we doing today in the Transportation Administration? We have made a parody out of the planning and insist that it is a fulfillment of the resolution of the DWK. Then all possible irrelevant figures are thought up and with them we try to prove that the planning did not suit our transportation situation. Today many such statements have been made; for example, "plans were made, but these plans, they can't be fulfilled, they are not even realistic; it would be better if things went along without a plan". But no one has come out and stated plainly that the resolution of the DWK, as drawn up, will not be fulfilled. I could give dozens of examples of how plans are still being made by us. Today in a report the title lists were mentioned. And here sit a bunch of people who were at the meetings where the title lists were discussed and who know quite well whether they were properly drawn up. That is proof that even today all is not well with planning in the Transportation Administration. A whole bunch of leading men play around in an irresponsible manner with the scheduling of target figures, without thinking whether the necessary conditions for their fulfillment exist. They don't place enough responsibility on themselves, they don't place enough on the regional headquarters, not on the Railroad Repair Shops (Reichsbahnausbesserungswerke), and for that reason we are forced several times a year to alter and repeat the same work. A small example: a construction project, which cost a total of 8000 marks was listed for 3 to 4 years. Please tell me the difference between sheer stupidity and simple, deliberate sabotage. What is the cause of all this?

I would like here to pass to a third problem. In part, the difficulty is caused by the fact that our administration includes not only good and strong men, but also some who are illiterate on technical matters. I would like here to mention the question of the development and education of our cadre. It is proper that the Personnel Division be criticized in this connection; it has been criticized too little up to now. The Personnel Division, which is under the unglorious leadership of Otto Kühnes. When the Personnel Division is mentioned here, it is to be understood that Herr Kühnes is being mentioned. The schooling of people must be taken up indeed, but not just in Institutes as has here been mentioned. The preparation and technical schooling of our cadre must be broadly developed. Following the example of the Soviet Union, night universities must be founded, workers' night schools, and a series of other courses, through which we can educate our personnel and continue to school them. Otherwise the Soviet Military Administration will send completely trained people into the transportation field and say, there they are; use them! People must learn and learn, starting with Prof. Reingruber and on down to the last switchman. Transportation newspapers must be printed and published, and everything must be concentrated on further development of ability. Conferences on these questions must be organized in the Reichsbahndirektionen and the labor unions must participate and increase competition. It is not correct, as some have said here, that youth must be trained and old age laid off. There

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are still old men among us who can knock out many a boy. There are young men among us who are worse than the old men. We must push those people, young or old, who are in there with enthusiasm, who apply their ability to the job, who push our work. It is immaterial whether he is a young buck or an old one, and no differentiation should be made between sexes either, between men and women.

Another question which I want to mention here concerns the wage agreement. I don't know what you think about it. The question disturbs me. It seems to me that unless the SED takes up this question, we will see a fiasco. Roman Chwalek is a powerful party member and a splendid union leader, but if I were in his shoes I would grab the administration by the throat until the wage agreement is signed. Do you know how many deadlines have been cancelled already? You were called into the D'VK and you cancelled these deadlines, and here still other deadlines are being mentioned. It seems to me that the conference should speak a decisive word on this subject and demand that a wage agreement be concluded. There are no factual reasons why a wage agreement can't be negotiated and concluded.

I would like to say a few words about the strike which took place in Berlin. I want to do it only because a few speakers here have attached an almost world-wide importance to this strike. I would like to look at this strike from another point of view. Since several leading persons have appeared here, Schmidtke (Director of Reichsbahndirektion Berlin) having called himself a General who has returned victorious from this strike, let's look at the matter critically. "General" Schmidtke turned out to be a bit weak. Without the help of other Generals and also a few Commissars who stood at his side, it is likely that nothing much would have come of this business. Because this General turned out to be a General with an Army which had run away down to the last female secretary. But no General should start a war with unsuitable forces. And I would now like to make a few remarks about the unsuitable forces with which we had to work when this strike began. First I want to explain that I asked the leading people of the labor union as well as the administration this question: "Who do you want to work with, with me or the UGO (Independent Union Organization)?" And the UGO was not sure of itself either. All kinds of things were tried at the start, polls were taken, and more polls, to see if the people would stick it out. And there were leading men like Kotzur, who stuck out his chest and said, "The whole bunch will follow me; the UGO doesn't amount to anything." I asked the men of the administration, "Is a strike possible or not?" They told me, "No, it isn't possible." And when the strike began, how did it begin, how did it get going? About 500 young criminals were released from camps, and they were joined by plenty of other obscure derelicts. And on 21 May, when the strike broke out, only 500 men stayed home at first, and if our Administration had realized the size of its task, it could doubtless have localized the strike. But when the trouble started, these rowdies came and chased grown men away from their work and were allowed to get away with it; for example, in the Railroad Repair Shop at Tempelhof where 600 men were supposed to go on the shift, of whom 500 wanted to work, two men picketed at the gate and the 500 men who wanted to work said they couldn't do anything - they couldn't get in, and the Administration people said, for God's sake, they can't get in there, there's a strike on, nothing can be done. Yes, all I can say is, Herr General Schmidtke, you can't win a great war using children like that, especially since six to seven hundred people from your

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own staff quit and didn't work either, and struck against themselves. But it was, of course, not a real strike - it was a provocation, where strike methods were used, but this provocation can be explained on a broader basis, too. I'm not here to tell you such stories, but to ask you, are you able to prevent things like those that took place in the Berlin railroad headquarters. How well informed are you on the feelings of your workers, on the feelings of your closest assistants, with whom you work? Won't they leave you in the lurch in one of the critical moments of your life - won't they perhaps run out on you as Schmidke's secretary did? That is a serious question, requiring reflection. How well is the protection of your offices and shops insured? Look, anyone can get into our offices and shops, as in Tempelhof, where 20 pickets forced their way in unhindered to prevent 600 men from working. Why don't you realize that such acts of provocation can take place? Worse still, that diversionary acts can take place? For the class war gets more violent from day to day. And I think we ought to look at the question once from this viewpoint.

Now in closing, something which I wanted to say to the delegates, out of personal conviction. Don't you think it's time to work out a set of personnel regulations for all branches of the railroads - a sort of constitution and regulations? Handke (of the DWP) made some pretty good remarks today, about the new conditions themselves converting people, but to help along and favor this conversion, a whole string of measures is needed. But the situation today is such that many leading men, who don't have the feel for administrative practice, are either too easygoing or are much too rough and strict, and either they use their power too sharply or they don't use it at all. Accordingly, Roman Chwalek, with the help of the wage agreement, is trying to take over some of these problems..... But if we had a definite set of personnel regulations, a lot of these problems would be dealt with in these regulations and settled for once and for all.

I want to request that all delegates, when they go home, think over clearly the jobs that face us, and carry out the resolutions of the conference, so that by 1 January 1950, our tasks in the field of finance, in fulfilling our targets, in education, and in all other fields will have been carried out. I hope that the delegates will be able to carry out the work and resolutions of the conference down to the last detail.

In concluding I wish the delegates success."

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